

UNEMPLOYMENT AND CHILD-BEARING

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Introduction

POVERTY and high fertility are traditionally associated phenomena. Are they likely to remain associated in the future? We do not know, but there are reasons for suggesting that the association may be progressively broken down. In the first place social progress has resulted in higher standards of child-welfare, education, and labour legislation, which have converted the child from a potential economic asset into a certain financial burden. In the second place, and perhaps more important, the development of birth-control seems to have brought us to the threshold of a new epoch in social history—the epoch of voluntary parenthood. The poor man to-day has definite economic reasons for not wanting a large family, and in addition the means of limiting his offspring are at his disposal. If cheaper and improved contraceptive devices come into general use among the mass of ordinary manual wage-earners there appears to be no reason why, in the years ahead of us, the poorer classes should not succeed in avoiding unwanted children to the same extent as their social superiors. The upper-class “invention of sterility,” with its qualitatively undesirable effects, may spread to all classes in the community, and bring quantitatively undesirable effects in its train. It follows that voluntary parenthood—being the end-product of social developments which have made a financial liability of child-rearing—may, as time passes, enhance the importance of economic considerations as an impulse to birth restriction. While economic factors, even on the broadest interpretation, are by no means the only causes of the decline in fertility, they are important enough to merit careful consideration.

The following analysis of the standard of living of families on unemployment pay discusses some of the economic circumstances

which may lead common folk to attempts at family limitation. It throws light indirectly upon the conditions of millions of British families whose breadwinners, subject to the vagaries of the economic system, inevitably pass through spells of unemployment of varying duration. In a typical year some 6 million claims for unemployment benefit are lodged,* and it is estimated that in 1937 one-tenth of the whole population was, at one time or another, living under conditions determined by the Unemployment Assistance Board.† Consequently the following study is the study of a more or less inevitable phase in the lives of most industrial workers' families.

Numbers of Unemployed and their Dependants

The 1937 Reports of the Unemployment Insurance Statutory Committee and of the Unemployment Assistance Board provide materials for a rough sketch of conditions in December 1937. At that date the registered unemployed numbered 1,665,000, among whom were some 475,000 men with families including dependent children under 14. These men were divided between Unemployment Insurance (229,000 with 438,000 children‡) and Unemployment Assistance (245,500 with 578,500 children). The majority of the men on insurance benefit were either “temporarily stopped” or out of work for relatively short periods, whereas half the men on assistance had been out of work for a year or longer. The family responsibilities of the men on assistance were greater than those of the men on benefit (see Table I), partly because their average age was higher, partly because they contained a larger proportion of men from the lowest and most fertile strata of manual workers.

* Ronald C. Davison (1938), *British Unemployment Policy*, p. 58.

† Richard M. Titmuss (1938), *Poverty and Population*, p. 243.

‡ My own estimate.

TABLE I
THE BURDEN OF DEPENDENCY, DECEMBER 1937

	1 child		2 children		3+ children	
	percentage of men	percentage of children	percentage of men	percentage of children	percentage of men	percentage of children
Men on Assistance ...	34	12	26	21	40	67
Men on Benefit* ...	46	24	29	31	25	45

Scales of Benefit and Relief

What provision did unemployment pay make for dependants? Unemployment benefit was originally designed to be an insurance payment against loss of wages rather than an allowance adequate for the basic needs of the applicant and his family. While dependants' allowances are paid, payments are made at flat rates, of 17s. for a man, 9s. for his wife,† and 3s. for each child, subject to no adjustments either upwards or downwards in accordance with the applicant's needs or resources. When an unemployed worker has exhausted his benefit rights he passes on to the U.A.B. Assistance allowances are determined in accordance with a scale intended to be adequate for the human needs and welfare of the recipient and his family, at a level somewhat above a bare subsistence minimum. The Scale was worked out after a consideration of such standards as were used in the Nutrition Reports of the British Medical Association and of the Ministry of Health Advisory Committee on Nutrition, and by the various local social surveys and local relief authorities. It is designed to cover the fundamental necessities of life: food, clothing, light, fuel, cleaning materials, household equipment, and net rent, provided the latter does not exceed one quarter of the total scale allowance for all members of the household, dependent or not. In other words, the Scale embodies a "standard of living" which is deemed to be the minimum adequate.

In assessing the actual allowance in a given case, account is taken of the household's resources, if any, part being disregarded, and

of any unusual circumstances (high rent, lack of bedding, etc.). Needs are assessed under the standard scale and are then offset against such resources as have been taken into account. A high rent, "special circumstances," or "exceptional need" may justify an increased allowance; resources or a low rent may justify a reduction. But the purpose of this flexibility is apparently to ensure, whatever the size of the allowance paid in individual cases, that all families, however much they deviate from the "normal," shall be receiving an income adequate to maintain them at the level envisaged by the Scale. A "wage stop" is, however, applied in certain cases, when the assessment approaches too closely to the normal wage the applicant might be expected to earn, and allowances may be reduced for this reason.

The Measurement of Poverty

How does unemployment pay compare with other accepted assessments of minimum human requirements? Mr. R. F. George in 1936 worked out a Poverty Line designed to establish a bare subsistence minimum.* Based on London prices for July 1936, it takes account only of food, clothing, fuel, light, and cleaning materials. Rent is omitted and all other items are ignored. Food requirements, based on the B.M.A. "minimum adequate" diet with an augmented milk allowance, are assessed at 6s. 9d. for an adult male, 5s. 9d. for an adult female, 5s. 5d. for children aged 6 to 14, and 3s. 10d. for children under 6. The Poverty Line, writes Mr. George, "seeks to assess the cost of a standard of living so low that, while persons below it are

* My own estimate. † Raised to 10s. in April 1938.

* *Journal of the Royal Statistical Society*, 1937, I, 74.

living in extreme poverty, those just above would commonly be regarded as very poor." Reducing the U.A.B. scale allowance by 25 per cent. to eliminate the standard allowance, it is possible to compare the scale with Mr. George's minimum in cases where there are no resources (see Table II).

TABLE II

COMPARISON OF U.A.B. SCALE WITH R. F. GEORGE'S SUBSISTENCE MINIMUM IN DECEMBER 1937

Married couple with following number of dependent children under 14	R. F. George's Subsistence Minimum (July 1936)*	U.A.B. Scale in cases without resources
	s. d.	s. d.
0	17 8	19 6
1	22 3 to 23 10	21 9
2	26 10 ,, 30 0	24 0 to 24 9
3	32 1 ,, 36 10	26 3 ,, 28 1½
4	36 6 ,, 42 10	28 6 ,, 31 6
5	40 11 ,, 48 10	30 9 ,, 34 10½

The comparison shows clearly that, even on the U.A.B., the possible standard of living declines as the size of the dependent family increases. Instead of one uniform level of living for all resourceless families on assistance, the Scale appears to enforce a different level for families of each size and penalizes the children in the process.

A comparison of benefit (at that date) with the U.A.B. Scale in resourceless cases is equally revealing. In such cases, when there are dependent children, the U.A.B. minimum is always the appropriate benefit rate but the Scale allowance may exceed the benefit rate (See Table III).

In addition assistance allowances may be supplemented for a variety of reasons. Benefit was very rarely supplemented in 1937.

Although a worker's food requirements are probably smaller when he is unemployed than when he is in work, a comparison of these assessments for the unemployed with Mr. Rowntree's minimum wages adequate for the "human needs of labour" (which also

TABLE III
COMPARISON OF BENEFIT RATES WITH ASSISTANCE RATES IN RESOURCELESS CASES, DECEMBER 1937

	Benefit (= U.A.B. Minimum Rate)	Amount by which U.A.B. rate may exceed benefit
	s. d.	s. d.
Man and wife	26 0	—
" " ,, and 1 child ...	29 0	—
" " ,, ,, 2 children	32 0	1 0
" " ,, ,, 3 ,,	35 0	2 6
" " ,, ,, 4 ,,	38 0	4 0
" " ,, ,, 5 ,,	41 0	5 6

(U.A.B. rates for children under 14)

embodies the B.M.A. diet) is even less favourable.* Adjusted to December 1937, Mr. Rowntree's minimum wage would have allowed a family with three children from 10s. to 15s. more than Mr. George's minimum, 19s. more than the maximum assistance allowance, and 21s. 6d. more than benefit. Yet there is no doubt that the Rowntree standard involves, as its author points out, life on a "fodder basis," if health is not to be sacrificed.

Modifying Factors

The foregoing comparisons suggest that unemployment pay is definitely inadequate for human needs in family cases. Does it follow that all workers with dependent children are condemned to a life of "extreme poverty," even if they live on a "fodder basis," when they fall out of work? In order to answer this question it is necessary to consider two modifying factors: the extent to which personal resources contribute to the incomes of unemployed families, and, with regard to families on assistance, the extent to which the Scale is actually operated.

As far as the families on assistance are concerned, two factors may raise the income level, whether they possess resources or not.

(a) The majority of U.A.B. Committees have adopted rent rules which make it possible, where rent is below the standard allowance, for a family to retain a margin of two to three shillings before any deduction is made from the total assessment. Generally

* Since London prices are somewhat high, Mr. George's minimum has not been adjusted up to December 1937. The U.A.B. rent rules often allow some margin, as is shown later in this article. The minima and maxima depend upon the age of the children, the U.A.B. Scale being more finely adjusted.

* Seebohm Rowntree (1937), *The Human Needs of Labour*.

speaking, the rent allowances seem to have been sufficient, and where rents fell short of the standard there may have been an additional income of up to 3s. weekly.

(b) Free school meals or milk are normally disregarded by the U.A.B. But in 1936-37 not more than 2 per cent. of all elementary school children were receiving free school meals of any description, and meals were not restricted to the children of unemployed parents.* Except in certain areas where the local authorities provide substantial meals and interpret the term "malnutrition" in a generous spirit, free school meals do not appear to be a factor of any but minor importance.

Personal resources make a great difference to families on assistance. Of all families with dependent children (under 14) on assistance in December 1937, 54 per cent. had no resources and 46 per cent. had resources of some kind. Resources made a difference to them, because resources are never wholly taken into account by the U.A.B., which is obliged to disregard certain amounts and certain types of income. About 70 per cent. of these resources consisted of the earnings of sons, daughters, brothers or sisters at work. Most of the remainder came from official funds (unemployment benefit, pensions, and disablement grants).

In the Pilgrim Trust study of the long-unemployed at the end of 1936, the investigators found that 44 per cent. of the families in their sample were on or below Mr. George's bare subsistence level, 30 per cent. actually being below. Of the latter, four-fifths were families with no resources.† A careful comparison of the Pilgrim Trust data with those in the last Report of the U.A.B. suggests that the findings of the Pilgrim Trust survey of the long-unemployed (totalling half of the families on assistance) may have been very nearly true of all families on assistance. The comparison suggests that 28 to 30 per cent. of all families on the U.A.B. in December 1937 must have been living in "extreme

poverty," some 22 per cent. having no resources and 6 per cent. possessing resources of some description.

The poverty of the large families is greater than that of the smaller. The U.A.B. Report provides an analysis of households according to size and to presence or absence of resources. This analysis, bearing in mind the relative importance (ascertained above) of resources to families on assistance, the gap between Mr. George's standard and the Scale allowance, and the possibilities of additional income from the operation of the regulations, makes possible a very rough assessment of the relation of families of each size to Mr. George's subsistence level.

Subsistence Value of U.A.B. Scale

According to this assessment, childless couples or couples with one child were usually above the subsistence level, though the latter may have been near to it if they had no resources. Couples with two children were probably above the subsistence level if they had resources; some of them may have been more or less near to it. Without resources they probably were living at the subsistence level, but in many cases may have been a little below. Couples with three or more children were probably in most cases below the subsistence level if they had no resources. If they possessed resources, the best that can be said is that most of them were probably living near to the level and some of them below it.

It appears, in consequence, that of families without resources all those in which there were three or more dependent children were living either below or, at best, on the subsistence level; and that most of the child families were living probably more or less on the subsistence level or a little above it. With regard to the families with resources the situation seems to have been much better. Probably only in the cases of families with four or more children were most of them definitely below the subsistence level; in most of the families with three children would seem to have been on the subsistence level rather than above it.

To appreciate the full significance of

* M. E. Green (1938), in the *Report on Nutrition of the British Association for Labour Legislation*.

† *Men Without Work: A Report to the Pilgrim Trust* (1938).

Conclusion it must be recalled that two-thirds of the dependent children of U.A.B. payees were shown to be in families with three or more dependent children. Consequently it seems certain that well over half the dependent children of men on the U.A.B. were at best living in the "very poor" conditions of George's bare subsistence level and at worst in "extreme poverty."

This conclusion is, of course, only a rough approximation to the truth, but no facts are discoverable which suggest that it is erroneous. Mr. George's standard was based on London prices for July 1936, but it seems improbable that local price divergencies were of sufficient magnitude to modify the conclusion that the majority of the children of men on assistance must have been living at or below Mr. George's subsistence level.

The Pilgrim Trust Survey provides a mass confirmatory evidence. One instance may be quoted. In the families in their sample from Liverpool the investigators found that 53 per cent. of those with one dependent child, 68 per cent. of those with two children, and 94 per cent. of those with three or more children were below George's Poverty Line. Summing up the position as a whole, the Report concludes: "Where there are more than one or two children, there is almost always evidence of hardship."

It seems clear, therefore, that the U.A.B. scale favours the childless couple or the couple with only one child, but is unfavourable—even on the Spartan standards of Mr. George—to the large family.

Families on Benefit

Information concerning the conditions of life of men on benefit is more scanty, but it is sufficient to enable a general impression to be formed. It is likely that they had more personal resources than the men on assistance, since their better employment records and smaller family responsibilities would have given them greater opportunities for saving and acquiring household effects.

For families with some resources benefit is invariably 2s. above the minimum assist-

ance scale, but for all families it falls increasingly below the maximum rate, and, in the case of resourceless families, below the average assistance rate paid. For a family with five children under 14 the difference may be as much as 5s. 6d. (see Table III). The family without resources will clearly be at least as well off on assistance as on benefit and probably in most cases somewhat better off. This is so because, whilst adult dependants are well provided for by the insurance scheme, the benefit rate of 3s. for a child is less than the U.A.B. allowance for any child aged five or over. This means that nearly three-quarters of the children of men on benefit who had no resources (i.e. almost all children in resourceless families with two or more children) must have been living at or below Mr. George's subsistence minimum. But probably the majority of children were in families which had resources of some description, and, since on the whole it is likely that they were somewhat better off than they would have been on assistance, most of them were probably living above the poverty line. Possibly only in the case of families with four or more children would the standard of living been at or even below the subsistence level.

To sum up, it appears that in December over one half of the children of the men on the U.A.B. and a large minority of the men drawing unemployment benefit must have been passing through a phase of great impoverishment, living at best at a bare subsistence level, whilst their fathers were out of work. The great majority of them must have been living at a standard below the minimum regarded as adequate for a healthy existence on a "fodder basis" by Mr. Rowntree. Little has occurred in the subsequent twelve months to suggest that this is not a substantially true statement of the position to-day.

This conclusion remains substantially correct even if Mr. George's minimum is cut down by reducing the milk allowance to that prescribed by the B.M.A. diet—a weekly saving of 7d. for a married couple, of 5½d. for a child under 6, and of 7d. for a child over 6.

Problem of the "Overlap"

But the full dimensions of the problem can only be grasped if it is realised that the great majority of working-class children are doomed to phases of existence at such a level at one time or another in their childhood days, and that a considerable number of working-class children are normally born and brought up in families whose income from wages may be no higher, or very little higher, than the income they might expect if they were on assistance or on benefit.

The greatest obstacle to the raising of the rates of unemployment pay is fear of a total abandonment of the principle of "less eligibility." Public authorities are faced with the dilemma of keeping down unemployment pay at a level that cannot easily be defended on human grounds, or of greatly increasing the extent to which workers with dependent families would find themselves as well off out of work as in work.

Benefit and assistance are normally deemed to "overlap" wages if the gap between unemployment pay and wages is less than 4s. Both unemployment authorities made surveys in 1937 of the extent of this "overlap." The study of wage levels and benefit rates in August 1937 showed that only 2·3 per cent. of the men on benefit and 5·2 per cent. of the women, were as well off on benefit as in work. But this average conceals a far greater "overlap" where workers had large families. Thus 10 per cent. of the men drawing 41s. benefit, 26·1 per cent. of those drawing 47s. benefit, and 34·6 per cent. of those drawing 50s. benefit were deemed to be as well off or better off on benefit than in their normal employment. As might be expected the U.A.B., in December 1937, found a greater average "overlap" among its clients, for 6·2 per cent. of the men and 14·4 per cent. of the women were receiving allowances which were less than 4s. below their declared wages. There are no published data which would enable a differential analysis of the extent of the "overlap" in families of each size to be made, but the Board's report suggests that the situation is similar in broad outline to that of the families on benefit.

The extent of this "overlap" presents a serious problem. It is serious not primarily because it means that some of the unemployed may grow into workshies and loafers, but rather because of the light which it throws upon the standard of living of that considerable body of men with large families who are actually at work and earning no more than the U.A.B. would give them. Any survey of existing wage rates in certain trades and industries shows that earnings in a vast number of cases must appear a poor compensation to a man for a hard week's work when he could receive an equivalent sum, or a little less, without working at all, if he were on assistance or on benefit.

The Pilgrim Trust report provides many instances of such conditions in various parts of the country. It points out that the bulk of the children of unemployed miners in the Rhondda and in Crook (Durham coalfield) would probably not have been better off if their fathers had been in work. In such areas the family man is equally poor whether he works or not; and poverty is normal for his children, not a passing phase in their life but possibly an unchanging event throughout the whole of their childhood.

With all the goodwill in the world the two unemployment authorities are unable to risk a complete abandonment of "less eligibility" in favour of the "human needs" of the unemployed. The Unemployment Assistance Board felt itself justified, in view of the undoubted misery of many of the large family cases dependent upon its allowances, to instruct its officers in 1937 that: "a family of five or more children may in itself be regarded as a sufficient departure from the normal to justify consideration of waiving or mitigating the application of the wages stop on the ground of special circumstances"; but at the same time the Board had to urge its officers to exercise their discretion in such cases with "special care," and to "look with special closeness at cases where allowances of 45s. or more would be payable—an amount upon which many families do actually maintain themselves fully while the head of the household is in employment."

The Unemployment Insurance Statutory Committee in 1937 found that to increase the child's dependants' benefit by 1s. (up to 4s.) would increase the proportion of families as well or better off on benefit than in work by over one third. To increase the adult dependants' benefit by the same amount (up to 10s.) would only increase the "overlap" by just under one tenth. The Committee—"though not without some hesitation and not unanimously"—therefore felt obliged, "taking the Insurance Scheme and the wage system as they are," to recommend the latter measure. Both authorities are fully conscious of the dilemma confronting them. Lord Rushcliffe, Chairman of the U.A.B., in the Board's Report for 1937, stressed the "far-reaching implications" and the "questions of very serious social consequence" involved in the existence of this "overlap." The Statutory Committee pointed out in 1935 that "the growing direct provision for families, under Unemployment Insurance and Assistance, is beginning to raise acutely the general problem of dependency under a wages system which makes no similar provision." And in 1937 they more explicitly stated: "As was urged by the Family Endowment Society . . . the problem of dependency needs to be considered as a whole. To consider it only in relation to persons who are unemployed leads to an impasse in one direction or another."

Poverty and Fertility

Human beings in Britain will not, in any case, live on a "fodder basis." Even if they were willing to do so, it seems clear that a substantial proportion of the families on unemployment pay, and many families dependent upon wages, could not, under prevailing conditions, maintain themselves even in bodily fitness. Present standards are undermining the physical health of hundreds of thousands of British families. A great mass of evidence has been accumulated in recent years which leaves no doubt of the close connection between poverty and excessive ill health and premature mortality.* Within

the unemployed worker's family it is the mother who usually bears the brunt. "A feature that was noticeable in almost every household," says the Pilgrim Trust Report, "was the refusal to economise on the food or clothing of the children, though the parents would go short. . . . In several instances great efforts were being made to keep the children at school until sixteen, even if we have to starve for it. Education is the only thing that matters now."

Both parents make sacrifices, but the husband is the breadwinner and must be kept fit. The wife stints herself. Many women who are potential mothers are not in a physical condition to give birth to healthy children, or often even to stand the strain of child-bearing at all. The striking results of Lady Juliet Williams's well-known experiment, in South Wales and Durham, of providing expectant mothers with additional nutrition, have confirmed the suspicion that malnutrition is an important cause of maternal and neo-natal mortality.

Can it be assumed in such circumstances that the relatively high fertility of the lower classes is likely to be maintained? Poverty is not a new feature in British life. What is new is the fact that birth-control is to an increasing extent becoming accepted as the means of avoiding greater poverty. Every birth-control clinic which has inquired of its working-class clients the reasons why they limit their families has found one main reason given: "we can't afford any more children." The small family to-day is the fashion. Parents have a sense of responsibility towards their children which would have delighted the social reformers of half a century ago. When the working man expects more of life than in any previous epoch, when economic circumstances impel, fashion encourages, and the means are accessible, a generalization of family limitation among the lower classes—apart from the "social problem" group—seems only to be expected in the course of time. Every improvement in contraceptive technique, every increase in the accessibility of reliable contraceptives, may therefore tend to accelerate the rate of decline of working-class fertility, unless (a)

* See Richard M. Titmuss, *op. cit.*

the small-family fashion can be changed, and people persuaded to use birth-control for spacing rather than for avoiding births, and/or, (b) some of the economic circumstances which may act with increasing force as checks upon fertility are mitigated.

A positive population policy must take into account the possibility of voluntary parenthood becoming general in the future. It might even decide, for eugenic reasons, to encourage voluntary parenthood. In any case it will have to devise means of ensuring that voluntary parenthood does not become a synonym for voluntary childlessness for a large number of married couples, and of ensuring that the desire for children is not frustrated by economic circumstances. Fashions have their roots in the solid facts of life; the small-family fashion cannot be changed by propaganda and exhortation alone. Measures to mitigate or eliminate the financial handicap of parents as compared with the childless within each income group, measures to enhance security, to make child-bearing and child-rearing safer, are all needed as a basis for effective propaganda. It may well be that far-reaching measures of such a character will be necessary before the working man of to-day—no longer like his grandfather driven to drink through inordinate working hours and degrading conditions, literate, and sufficiently familiar with material comfort and the “good things in life” to want more of them—can be persuaded once again to undertake the responsibilities of a large family, when all his interests encourage him to limit his offspring and his social superiors have set him an example which he can hardly be blamed for following.

Summary

I. An analysis of the standard of living of families on unemployment benefit or assistance in December 1937 suggests

- (a) that most families were below Mr. Seebohm Rowntree's “human needs of

labour” standard, and that over half the children of men on assistance and a substantial proportion of the children of men on benefit must have been living below Mr. R. F. George's “bare subsistence level.”

- (b) that similar conditions were *normal* for many large families whose breadwinners were in employment in occupations paying low wages.

2. Although unemployment pay is low in family cases, the existence of low wage-rates has created an “overlap” between unemployment pay and wages, with the results that

- (a) public authorities find it difficult to raise benefit and assistance rates without substantially increasing the proportion of persons who are as well off out of work as in employment.
- (b) the problem of the financial burden of dependency has to be considered as a whole, and not merely in relation to those families who have fallen outside the framework of the wage system through the unemployment, sickness or incapacity of the breadwinner.

3. It is suggested that the low standard of living necessitated by present rates of unemployment pay and by low wages in certain occupations constitute a powerful potential reason for family limitation among manual wage-earners. Improvements in material conditions in the past half-century, the growth of popular education, the achievement of higher standards of child health and welfare have all encouraged the working man to “expect more of life.” The new factor of voluntary parenthood through contraception may therefore liquidate in the future the traditional association of poverty with high fertility by reinforcing economic incentive to family limitation, unless measures have been set in operation to mitigate or eliminate the financial burden of parenthood.